

TR E L A

Attention: Medicaid Physicians, Pharmacies, FQHC, RHC, Nursing Homes, Provider Associations

PA: Non Pharmacy/Physician/Package Size Specific

Effective September 9, 2005, Alabama Medicaid has simplified the pharmacy Prior Authorization (PA) process. Refill PAs will no longer check for a specific pharmacy, physician, or drug package size. After each initial PA is approved, the PA will follow the patient for subsequent refills. For example:

Patient John Doe receives a prescription for Drug A that requires PA; his physician and pharmacist request a PA for Drug A (#100-count stock bottle NDC) and is given approval for six months. Next month, John Doe goes to another pharmacy for the refill, but the new pharmacy only has Drug A with a NDC of #500-count stock bottle. When the claim is submitted for processing, a search of John Doe's claims history will be performed to look for an existing PA. Since Mr. Doe has a current PA on Drug A, the claim will go through regardless of the package size or pharmacy.

A month later, John Doe is out of refills on his Drug A, but his regular physician is unavailable; a physician in the same practice phones in the refill for Drug A to the pharmacy. The claims processing system will search Mr. Doe's history for an existing PA that will match the current prescription/claim information. Since Mr. Doe has a current PA on Drug A, the claim will go through regardless of the physician license number.

Any questions regarding the above information can be directed to Medicaid Pharmacy Services at (334) 242-5050.

PA: Quantity/Days Supply Edit

Effective October 3, 2005, Alabama Medicaid will require pharmacy Prior Authorization (PA) claims to contain correct quantities and days supply. Any claim with a PA must match what is requested on the PA by the provider; any claim with an inappropriate quantity according the initial PA request will be denied and additional information must be presented to Health Information Designs. For example:

A PA request for patient John Doe is approved for 34 tablets a month for a total of 6 months (204 tablets total). However, the claim is billed for 64 tablets per month (instead of the approved 34 tablets per month). The claim will be denied, and the pharmacist will need to either need to resubmit the claim with the correct quantity, or contact HID for a PA adjustment.

During the next month, the claim is billed for 34 tablets with a 14 days supply. Since 14 days supply does not match what was approved in the original PA, the claim will deny. The pharmacist will need to either resubmit the claim with the correct days supply, or contact HID for a PA adjustment.

This edit will greatly help with incorrect billing and inappropriate days supply on our PA claims. Any questions on the above information can be directed to Medicaid Pharmacy Services at (334) 242-5050.

September 9, 2005